

**LDS Family
Services (UK) Limited**
formerly The Church of Jesus Christ of
Latter-Day Saints (LDS Social Services)

FINANCIAL STATEMENTS

for the year ended

31 December 1999



LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

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31 December 1999

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LDS Family Services (UK) Limited formerly The Church of
Jesus Christ of Latter-Day Saints (LDS Social Services)
DIRECTORS AND OFFICERS

DIRECTORS

F M Riley
H C Brown
J Dodd

SECRETARY

J Dodd

COMPANY NUMBER

1346482 (England and Wales)

REGISTERED CHARITY NUMBER

275643

REGISTERED OFFICE

751 Warwick Road
Solihull
West Midlands
B91 3DQ

AUDITORS

Baker Tilly
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham B3 3HN

BANKERS

HSBC
34 Poplar Road
Solihull
B91 3AF

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

DIRECTORS' REPORT

The directors, who are the charity's trustees, submit their report and the financial statements of LDS Family Services (UK) Limited, formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services) for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities of the company are to arrange for the adoption and fostering of children and the provision of counselling services.

On 2 October 2000 the company changed its name from The Church of Jesus Christ of Latter-Day Saints (LDS Social Services) to LDS Family Services (UK) Limited and was converted from an unlimited company to a limited company.

The company is a registered charity and its governing documents are its Memorandum and Articles of Association.

RESULTS AND DIVIDENDS

The expenditure for the year has been met by a subsidy from the Corporation of the President of the Church of Jesus Christ of Latter-Day Saints.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following directors have held office since 1 January 1999:-

A K Broadway	(Resigned 29 August 2000)
B C Calsen	(Appointed 6 October 1999, resigned 10 December 2000)
R J Mawle	(Resigned 29 August 2000)
B P Jensen	(Resigned 6 October 1999)
B D Jacox	(Resigned 6 October 1999)
H C Brown	(Appointed 29 August 2000)
J Dodd	(Appointed 29 August 2000)
F M Riley	(Appointed 29 August 2000)
S G Reid	(Appointed 10 September 1999, resigned 29 August 2000)

Mr J Dodd retires by rotation and, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS IN SHARES

None of the directors had, at any time during the year, a beneficial interest in the share capital of the company.

INTRODUCTION OF THE EURO

The directors believe the Introduction of the Euro will have no significant impact on the company's activities.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

J Dodd
Secretary

27 October 2000

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
LDS FAMILY SERVICES (UK) LIMITED FORMERLY THE CHURCH OF JESUS CHRIST OF
LATTER-DAY SAINTS (LDS SOCIAL SERVICES)

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of directors and auditors

As described on page 3 the trustees, who are also the directors of LDS Family Services (UK) Limited, for the purposes of company law, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs at 31 December 1999 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

BAKER TILLY

Registered Auditor
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham
B3 3HN

27 DECEMBER 2000

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 1999

	<i>Note</i>	1999 £	1998 £
Incoming resources			
Charitable work performed		28,878	33,512
Subsidy from parent company		236,433	190,382
		<hr/>	<hr/>
Total incoming resources		265,311	223,894
		<hr/>	<hr/>
Resources expended			
Direct charitable expenditure	4	265,311	223,894
		<hr/>	<hr/>
Total resources expended		265,311	223,894
		<hr/>	<hr/>
Net Incoming/(outgoing) resources		-	-
Fund balances brought forward at 1 January 1999		-	-
		<hr/>	<hr/>
Fund balances carried forward at 31 December 1999		-	-
		<hr/>	<hr/>

The Statement of Financial Activities constitutes an Income and Expenditure account for the purposes of the Companies Act 1985.

No separate statement of Total Recognised Gains and Losses has been presented as all gains and losses have been dealt with in the Income and Expenditure account.

The result for the year arises from the company's continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

BALANCE SHEET

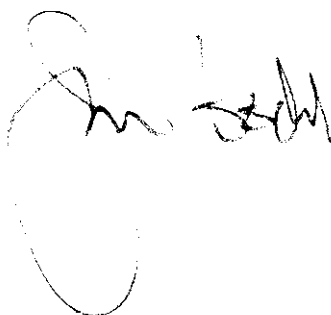
31 December 1999

		1999 £	1998 £
FIXED ASSETS			
Tangible assets	5	26,292	30,223
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	6	805	1,448
Cash at bank and in hand		200	4,447
		<hr/>	<hr/>
		1,005	5,895
CREDITORS: Amounts falling due within one year	7	27,197	36,018
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(26,192)	(30,123)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		100	100
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS - UNRESTRICTED	9	100	100
		<hr/>	<hr/>

These accounts have been prepared in accordance with the special provisions of Part VII of Companies Act 1985 relating to small companies.

Approved by the board on 27th March 2000

J Dodd



Director

The notes on pages 8 to 11 form part of these financial statements.

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Charities (Accounts and Reports) Regulations 1995, the Statement of Recommended Practice "Accounting by Charities" and under the historical cost convention and in accordance with applicable accounting concepts.

ACCOUNTING CONCEPT

The company's basis of accounting is that income is recorded on a cash basis. Expenditure is also recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements on the accruals basis is not considered by the directors to be material.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Motor vehicles

over 4 years

TURNOVER

Turnover represents the amount received for services provided.

PENSION CONTRIBUTIONS

The costs of providing pensions for employees are charged in the profit and loss account over the average working life of employees in accordance with the recommendations of qualified actuaries. Any funding surplus or deficit which may arise from time to time is amortised over the remaining working life of employees.

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1999

1 TURNOVER

The company's turnover and result before taxation were all derived from charitable work performed in connection with its principal activity.

The company's turnover was wholly earned within the United Kingdom.

2	RESULT FOR THE YEAR	1999 £	1998 £
	This is stated after charging/(crediting):-		
	Depreciation on owned assets	13,361	13,503
	Auditors' remuneration	2,702	1,500
	Profit on disposal of tangible fixed assets	(1,318)	(5,166)

3	EMPLOYEES	1999 No.	1998 No.
---	-----------	-------------	-------------

The average weekly number of persons (including directors) employed by the company during the year was:

Directors	3	3
Counsellors	4	4
Office staff	2	2
	—	—
	9	9

	1999 £	1998 £
Staff costs for the above persons:		
Wages and salaries	150,795	144,409
Social security costs	13,961	12,116
Other pension costs	16,998	16,125
	—	—
	181,754	172,650

DIRECTORS' REMUNERATION

None of the directors who served during the year ended 31 December 1999 received remuneration from this company, nor was any charge made to the company for their services by any other group company.

4 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	Total £
Direct charitable expenditure	181,754	70,196	13,361	265,311

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1999

5 TANGIBLE FIXED ASSETS

	<i>Motor vehicles £</i>
Cost	
1 January 1999	54,010
Additions	12,762
Disposals	(13,329)
	<hr/>
31 December 1999	53,443
	<hr/>
Depreciation	
1 January 1999	23,787
Charged in the year	13,361
Disposals	(9,997)
	<hr/>
31 December 1999	27,151
	<hr/>
Net book value	
31 December 1999	26,292
	<hr/> <hr/>
31 December 1998	30,223
	<hr/> <hr/>

6	DEBTORS	1999 £	1998 £
	Due within one year		
	Other debtors	805	1,448
		<hr/>	<hr/>

7	CREDITORS: Amounts falling due within one year	1999 £	1998 £
	Bank overdraft	11,521	-
	Amounts due to group undertakings	13,620	34,608
	Accruals	2,056	1,410
		<hr/>	<hr/>
		27,197	36,018
		<hr/> <hr/>	<hr/> <hr/>

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1999

8	EQUITY SHARE CAPITAL	1999	1998
		£	£
	Authorised		
	100 ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
	Allotted, issued and fully paid		
	100 ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
9	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS - UNRESTRICTED		
		1999	1998
		£	£
	Result for the financial year	-	-
	Opening shareholders' funds	100	100
		<u> </u>	<u> </u>
	Closing shareholders' funds	100	100
		<u> </u>	<u> </u>

Shareholders' funds are entirely attributable to equity interests.

10 ULTIMATE HOLDING COMPANY

At 31 December 1999 the company was owned by London Wall Administration (SS1) Limited and London Wall Administration (SS2) Limited, but is now owned by LDS Family Services (Utah).

The ultimate holding companies and controlling parties are the Corporation of The President of The Church of Jesus Christ of Latter-Day Saints and the Corporation of the Presiding Bishopric of The Church of Jesus Christ of Latter-Day Saints, corporations incorporated in the state of Utah in the United States of America.

Assurances of continued financial support have been received from the Corporation of The President of The Church of Jesus Christ of Latter-Day Saints.

11 RELATED PARTY TRANSACTIONS

During the year the company received a subsidy of £236,433 from the Corporation of The President of The Church of Jesus Christ of Latter-Day Saints. Balances due to the Corporation of The President of The Church of Jesus Christ of Latter-Day Saints at the year end are disclosed in note 7.

The company is provided with offices rent free by the Church of Jesus Christ of Latter-Day Saints (Great Britain).

LDS Family Services (UK) Limited formerly The Church of Jesus Christ of Latter-Day Saints (LDS Social Services)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1999

12 PENSION AND OTHER POST EMPLOYMENT COMMITMENTS

The company contributes to a defined benefit pension scheme operated on behalf of the UK entities of the Church of Jesus Christ of Latter-Day Saints, and whose assets are held in independent trustee administered funds. Contributions for future service are determined by a qualified actuary on the basis of triennial valuations using the projected unit method, the most recent valuation being at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are the rate at which current salaries and pensions will increase and the return the scheme will earn on its assets.

It was assumed for the 1998 valuation that salaries would increase by 4% and the investment returns would be 5.75% per annum, and that present and future pensions would increase at the rate of 2.5% per annum for benefits in excess of GMP. The actuarial valuation of the scheme's assets at 31 December 1998 was £11,418,099 and was estimated to cover 97% of the scheme's liabilities at that date.

From 1 January 2000 the contribution rates of the employer and employees were raised to 12.5% and 5.3% respectively.

The pension charge for the year was £16,998 (1998 £16,125).